

NEW



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

**May 8, 1998**

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.

Application of **United Air Lines, Inc.** filed **4/10/98** in Docket **OST-98-3732<sup>1</sup>** for:

**XX** Exemption under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of persons, property, and mail between any point or points in the United States, and any point or points in France, directly and via intermediate points, and beyond France to any point or points in third countries, and to integrate this authority with United's existing certificate and exemption authority. United states that in conjunction with this authority it intends to expand its code-share operations with its European partners.**

Northwest filed an answer to United's application requesting that the Department promptly grant United's application along with Northwest's application in Docket OST-98-3760.

Applicant rep: **Joel Stephen Burton (202) 637-9130** DOT Analyst: **Sylvia Moore (202) 366-6519**

### DISPOSITION

**XX** Granted (subject to conditions, see below)

The above action was effective when taken: **May 8, 1998,** through **May 8, 2000**

**Action taken by: Paul L. Gretch, Director  
Office of International Aviation**

**XX** The authority granted is consistent with the April 8, 1998 Memorandum of Consultations between the United States and France.<sup>2</sup>

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

**XX** Holder's certificate of public convenience and necessity

**XX** Standard Exemption Conditions (attached)

**Special Conditions:** The authority granted was made subject to the following conditions:

(a) The authority to operate via intermediate points and beyond France to third countries will be on a blind-sector basis and is limited to countries with which the United States has signed open-skies agreements and/or countries for which the carrier holds authority to serve under certificates or exemptions issued by the Department, and for which it holds route integration authority by virtue of either the present action or other action of the Department.

(See Reverse Side)

<sup>1</sup> United's application also sought authority for allocation of seven U.S.-France combination service frequencies, allocation of U.S.-France third-country code-share opportunities, and exemption and designation to operate all-cargo service between the United States and France. Those requests are being handled separately. This notice concerns only United's request for broad U.S.-France exemption authority.

<sup>2</sup> On April 8, 1998, the United States and France signed a Memorandum of Consultations (MOC) and initialed the text of a framework for a new Air Transport Agreement (Agreement). The MOC also provided that each Party would permit operations consistent with the new Agreement on the basis of comity and reciprocity, pending finalization of the Agreement.

(b) Any service provided under the route integration authority granted shall be consistent with all applicable agreements between the United States and the foreign countries involved, and further (a) nothing in the award of the route integration authority granted should be construed as conferring upon United rights (including fifth-freedom, intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless United notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights, and (b) should there be a request by any carrier to use the limited-entry route rights that are included in United's authority by virtue of the route integration exemption granted here, but that are not then being used by United, the holding of such authority by route integration will not be considered as providing United a preference in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

(c) The code-sharing operations conducted under this authority must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted, and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere; that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept all obligations established in its contract of carriage with the passenger; that the passenger liability of the operating carrier be unaffected; and that the operating carrier shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

(d) The authority granted does not authorize services between New York and Paris.<sup>3</sup>

(e) The U.S.-France combination services operated by United must be operated within the level of services authorized United for U.S.-France combination services.

*An electronic version of this document is available on the World Wide Web at:  
<http://dms.dot.gov/general/orders/aviation.html>.*

---

<sup>3</sup> U.S. carrier services in the New York-Paris market are limited through 2003, and United is not one of the U.S. carriers now designated for New York-Paris service.